

## 6-507. VOTING BY MEMBERS OF MUTUAL INSURERS.

## (A) MEMBERS ENTITLED TO VOTE.

EACH MEMBER OF A DOMESTIC MUTUAL INSURER IS ENTITLED TO ONE VOTE, OR TO THE NUMBER OF VOTES THE BYLAWS PROVIDE, BASED ON:

- (1) THE INSURANCE IN FORCE;
- (2) THE NUMBER OF POLICIES HELD; OR
- (3) THE AMOUNT OF PREMIUM PAID.

## (B) POLICY HOLDERS.

UNDER ANY GROUP POLICY, ONLY THE POLICYHOLDER SHALL BE A MEMBER OF THE MUTUAL INSURER ENTITLED TO VOTE AT THE MEETINGS OF THE MUTUAL INSURER.

REVISOR'S NOTE: This section presently appears as Art. 48A, §258.

In subsection (b) of this section, for purposes of conformity, the term "mutual insurer" is substituted for "company."

The only other changes are in style.

## 6-508. NUMBER OF DIRECTORS.

THE BOARD OF DIRECTORS OF A DOMESTIC INSURER SHALL BE COMPOSED OF AT LEAST NINE MEMBERS.

REVISOR'S NOTE: This section presently appears as Art. 48A, §266A.

The only changes are in style.

## 6-509. CONTINGENT LIABILITY OF MEMBERS OF MUTUAL INSURERS.

## (A) PROPORTIONATE LIABILITY FOR DISCHARGE OF OBLIGATIONS.

EXCEPT AS PROVIDED IN ART. 48A, §262 OF THE CODE WITH RESPECT TO NONASSESSABLE POLICIES, EACH MEMBER OF A DOMESTIC MUTUAL INSURER OTHER THAN A LIFE INSURER SHALL BE CONTINGENTLY LIABLE ON A PRO RATA BASIS FOR THE DISCHARGE OF THE LIABILITIES OF THE INSURER. THE CONTINGENT LIABILITY SHALL BE EXPRESSED IN THE POLICY.

## (B) EFFECT OF TERMINATION OF POLICY.